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ARIZONA LABOR MARKET INFORMATION

NEWSLETTER

Vol. XIII No. 11
November 1989

Unemployment Rate

Seasonally Adjusted
September*

ARIZONA	-	5.7%
Maricopa County	-	4.7%
Pima County	-	5.2%
UNITED STATES	-	5.3%

Consumer Price Index

U.S. - September 1989
Base = 1982-84

Wage Earner/Clerical Worker	-	123.6
% Chg. Year Ago	-	4.3
All Urban	-	125.0
% Chg. Year Ago	-	4.3

Phoenix - 3rd Qtr 1989
Base = 1982-84

All Urban	-	127.0
% Chg. Year Ago	-	5.0

Tucson - 3rd Qtr 1989
Base = 1982-84

All Urban	-	125.4
% Chg. Year Ago	-	3.0

* Preliminary

Working Poor

BLS Study Profiles Lowest-Paid Sector

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Arizona Department of Economic Security
— Moving People Toward Self-Sufficiency

Full-Time Job No Guarantee of Avoiding Poverty

6 Million in U.S. Who Spent At Least Half of '87 in Labor Force Were Poor

Working full time and staying out of poverty are far from synonymous conditions in this country, according to research by the U.S. Labor Department's Bureau of Labor Statistics (BLS). In its "Profile of the Working Poor" in the October 1989 issue of the *Monthly Labor Review*, the Bureau says that more than 6 million persons lived in families below the official poverty level in 1987 even though they worked or looked for work at least half of the year.

Table. 1. U.S. Poverty Guidelines, 1987, 1989.

Size of Family Unit	Total Annual Income 1987	1989
1	$5,500	$5,980
2	7,400	8,020
3	8,300	10,060
4	11,200	12,100
5	13,100	14,140
6	15,000	16,180
7	16,900	18,220
8	18,800	20,260

Source: U.S. Department of Health and Human Services, 1987, 1989

The article's authors, economists Bruce W. Klein and Philip L. Rones, say that poverty among workers often results from a combination of low pay rates and a family structure that has only one earner and includes children. In fact, three out of five women who maintain families and work full time but earn low wages do not earn enough to keep their families out of poverty. (For the authors' research, working poor are defined as "persons who have devoted at least half the year to labor market efforts, being either employed or in search of a job during that period, but who still lived in poor families.")

Other key findings from the research are that nearly 3 million families in poverty had at least one worker, and 2 million workers in poverty lived outside of family units, either on their own or with nonrelatives.

A disproportionately large share of the working poor -- nearly 1 in 6 -- were women maintaining families, but more were husbands (26 percent), most of whom were their family's sole earners. Overall, families of all types with a single earner comprised three-fourths of working poor families. Poverty was found to be rare in husband-wife families where both spouses worked.

Klein and Rones point out that many women maintaining families do not work and, hence, are not among the working poor. The authors cite studies that show that even full-time, year-round employment would often not provide sufficient earnings to raise a family out of poverty. Thus, many 3turn to welfare as a way to meet both economic and child-care responsibilities.

Low earnings seem to be the key reason why someone who usually works full time is a member of a poor family. The

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authors define low earnings as an hourly wage rate of no more than $4.18 per hour (the average of the federal minimum wage levels, expressed in 1987 dollars, that prevailed in 1967-87) for a 40-hour workweek.

While the fact that low earnings lead to poverty might seem like a truism, the authors point out that the vast majority of low-paid, full-time workers do not live in poor families. Those who are not poor typically have other family members who work, or have few persons dependent on their earnings.

Table 2. Characteristics of Poor and Nonpoor Workers, 1987.

(Numbers in thousands)

Characteristic	Poor workers		Nonpoor workers		Poverty rate[1]
	Number	Percent	Number	Percent	
Age, sex, and race					
Total, 16 years and over	6,400	100.0	107,088	100.0	5.6
16 to 19 years	434	7.7	4,275	4.0	10.4
20 to 24 years	1,175	18.4	11,857	11.1	9.0
25 to 54 years	4,183	65.0	76,490	71.4	5.2
55 years and over	588	8.9	14,467	13.5	3.8
Men	3,348	52.3	60,022	56.0	5.3
Women	3,054	47.7	47,067	44.0	6.1
White	4,847	72.6	93,640	87.4	4.7
Black	1,567	24.5	10,269	9.6	13.2
Family relationship					
Husbands	1,999	26.1	38,088	35.6	4.2
Wives	695	10.7	27,114	25.3	2.5
Women who maintain families	1,091	17.0	5,074	4.7	17.7
Men who maintain families	158	2.5	1,857	1.7	7.8
Others in families	860	13.4	17,071	15.9	4.8
Unrelated individuals	1,937	30.3	17,886	16.7	9.8
Education					
Less than 4 years of high school	2,488	38.5	16,051	15.0	13.3
4 years of high school	2,620	40.9	43,358	40.5	5.7
1 to 3 years of college	867	13.5	22,215	20.7	3.8
4 years of college or more	447	7.0	25,466	23.8	1.7

1. Number of poor workers as a percent of all workers who spent 27 weeks or more in the labor force in 1987.

NOTE: Because of rounding, sums of individual items may not equal totals.

Source: Monthly Labor Review, U.S. Department of Labor, Bureau of Labor Statistics, October 1989

Two other labor market problems often occur in conjunction with low earnings. Persons with unemployment were six times more likely to be among the working poor if they also were low earners. Full-timers who spent some weeks working part-time involuntarily -- that is, they would have preferred full-time work -- were more than 17 times more likely to be among the working poor if they also had low earnings. Those workers who experienced unemployment or involuntary part-time work but earned above the low earnings threshold when they did work typically were not poor.

Low earnings can be caused by many factors, but a lack of education seems to be a major factor. About 40 percent of the working poor dropped out of high school and only 7 percent had four years of college or more. In contrast, among nonpoor workers, only 15 percent were high school dropouts and 24 percent had completed four or more years of college. Aside from education, "family background seems to influence earnings and poverty to a large extent," the authors say, "and it does so primarily indirectly, through its influence on education."

Monthly Labor Review can be found at major public libraries, including in Phoenix at the Arizona State Library, 1700 W. Washington St.; and the Department of Economic Security Library, 1300 W. Washington St.

--U.S. Department of Labor, Bureau of Labor Statistics

DOL Awards $7 Million for Homeless Job Projects; State Comes Up Empty

The U.S. Department of Labor (DOL) recently awarded 21 public and private agencies nearly $7 million in grants to operate employment and training projects for the homeless. Six organizations in Arizona, however, will not receive any of the one-year grants from the Job Training for the Homeless Demonstration Program, targeted for groups such as the chronically mentally ill, substance abusers, homeless youth and Native Americans.

The six groups in Arizona -- five in Maricopa County -- were part of 293 state and local public agencies, private non-profit organizations, and private businesses seeking funds authorized by the Stewart B. McKinney Homeless Assistance Act. Nine of the grants went to organizations that received funds for similar projects in 1988, the program's first year of operation.

> *... the misconception that homelessness is not a major problem in Sun Belt cities might ... have hurt Arizona's chances.*
>
> ***--Richard Huffman***
> ***Pima County Re-entry Program***

Among the activities the program requires its grantees provide are: remedial education, job search, job training, basic skills instruction, supportive services, outreach, and coordination with related community programs. The results of the providers' work will then go toward determining how to provide effective employment and training to the homeless and address the reasons for homelessness, as well as learning how public and private agencies can coordinate their efforts to meet the needs of the homeless, including transitional or permanent housing.

Terry Cook, a program coordinator for the Community Services Administration of the Department of Economic Security, says the main reason the state lost out on funding was because the proposals "didn't rank as high as proposals from competitors." But in addition, Cook suggests that coordinating grant applications for projects like these through the state's JTPA (Job Training Partnership Act) office -- instead of having Arizona agencies competing against one another -- might increase agencies' chances of landing federal grants.

Richard Huffman, director of the Pima County Re-entry Program, which specializes in helping homeless find jobs, says the misperception that homelessness is not a major problem in Sun Belt cities might also have hurt Arizona's chances. Huffman's agency, however, did receive a grant of $300,000 from the homeless job program last year -- the program's first year -- and has $70,000 left over to spend through next September.

Although there are many interrelated causes of homelessness, unemployment is usually considered the biggest factor. And in the 1980s, the homeless population -- estimated between 250,000 and 3 million nationally -- has become a more heterogeneous population that is younger than in the past, with an increase in minorities, women and families. In Arizona, the homeless population is estimated between 8,000 and 10,000, with the majority in Maricopa County, estimated between 6,000 and 8,000.

DOL's Employment and Training Administration (ETA) is overseeing the homeless job project. ETA and grantees will evaluate the projects, and a report will be submitted April 1 to the President, Congress, and the Interagency Council on the Homeless, a group established by the McKinney Act.

The December issue of the Arizona LMI Newsletter will offer a more in-depth look at Arizona programs that help the homeless find jobs.

--Brent Fine
Arizona LMI Newsletter Editor

Pilot Program Gives UI Recipients Alternative

Some unemployed workers in the state of Washington will get a chance to be their own bosses -- with help from their unemployment insurance (UI) benefits -- through a pilot project being funded by the U.S. Department of Labor (DOL).

Started at the end of September, the Washington Self-Employment Demonstration Project will allow about 500 workers who want to open a business to use up to $7,000 of their earned UI benefits as seed money to begin their ventures. In addition, the program offers participants assistance in entrepreneurial and technical training, as well as business counseling.

The project, funded by a $2 million research grant from DOL, is one of several means through which DOL is exploring "to accelerate the return of jobless workers to productive employment," says a DOL news release. "If successful," the release says, "the self-employment project will be used as a policy option for an ongoing program throughout the United States."

A cooperative effort among the DOL, the Washington State Employment Security Department, and the Business Assistance Center of the Washington Department of Trade and Economic Development, the project has started in Vancouver, Wash., and will expand to five additional Washington sites in January. The pilot project will continue to the end of 1990.

The basic federal-state UI system provides jobless workers with income support payments, which can last up to 26 weeks, to sustain workers through temporary periods of unemployment.

BIA Project to Upgrade Skills of Native Americans; Navajo Reservation Targeted

The U.S. Department of Interior's Bureau of Indian Affairs (BIA) has begun a pilot program to upgrade the skills of 72 Native Americans employed as journeymen mechanics at three BIA Facility Management and Construction Center (FMCC) sites, including one on the Navajo Reservation in Fort Defiance, Ariz. If successful, the apprenticeship program will be expanded across the country and could eventually lead to the training and employment of 700 to 1,500 Native Americans for BIA jobs, says a federal government official.

"The objective of the pilot program is to build up journeyman forces. They (BIA) do not have enough people (currently) trained to journeyman level," says Ruben Dominguez, New Mexico state director for the U.S. Department of Labor's Bureau of Apprenticeship and Training (BAT). Dominguez' agency develops standards for apprenticeship training and certifies trainees.

Occupations where training will be offered include electrician, carpenter, plumber, maintenance mechanic, building maintenance repairer, environmental control system installer-servicer, and boiler operator.

For the first year the training program will only be available to current BIA employees. Then, as the program expands, Native Americans not employed by BIA can apply for apprenticeship jobs.

More information is available on the BIA program by calling Dominguez at 1-505-766-2398.

School Officials Back Guidelines for Career Guidance Programs

The Council of Chief State Schools Officers has endorsed a national program to strengthen and improve comprehesive, compentency-based career development programs at schools, colleges, human service agencies and community organizations.

The National Career Development Guidelines, designed by the National Occupational Information Coordinating Committee (NOICC), identify desired outcomes of comprehesive career guidance programs at elementary, middle school, secondary, postsecondary and adult education levels. In addition, the guidelines establish staff requirements and competencies needed by counselors and other career development personnel to deliver quality programs.

The National Career Development Guidelines are presented in five handbooks, one for each program setting (e.g., elementary schools). Each guide gives a three-step process that includes planning, development, and implementation of student career development standards. An awareness brief and trainers guide are also available from NOICC.

The National Career Development Guidelines initiative was started in 1987 with the collaboration of the U.S. Department of Education, professional guidance community, and state and local agency personnel. The guidelines and outline of the implementation process were developed by the North Dakota Occupational Information Coordinating Committee under a two-year, $237,000 NOICC grant. NOICC has since awarded grants to 20 state agencies to update and implement standards for compehensive career guidance and counseling programs for their respective states.

NOICC, authorized by the Job Training Partnership Act of 1982 and the Carl Perkins Vocational Education Act of 1984, is a federal interagency committee established to promote the development and use of occupational and career information.

More information about the guidelines is available by writing: Dr. Mary Beth McCormac, National Guidelines Project Director, NOICC, 2100 M St. NW, Suite 156, Washington, DC 20037; or call (202) 653-5671.

Career Development Conference Scheduled for Scottsdale

"Empowering People Through Career Development" will be the theme of the National Career Development Association's (NCDA) national conference, to be held January 11-13 in Scottsdale at the Wyndham Paradise Valley Resort.

Among topics planned for discussion at the conference are:

.Empowering minorities, women, and at-risk populations.

.Current and future jobs.

.Empowering youth for challenges in the 21st-century workforce.

.Empowering individuals through a balance of roles -- work, family, and leisure.

Workshops, professional development institutes, and seminars will be featured prior to and after the conference. One of the workshops, which will be held January 10-11, is called "Leadership in Implementing and Evaluating Career Development Programs." It will be conducted by the National Occupational Information Coordinating Committee (NOICC) and the U.S. Department of Education's Office of Vocational and Adult Education.

More information on the conference is available by writing: Niel Carey, NCDA, 5999 Stevenson Ave., Alexandria, VA 22304; or call (301) 461-5574.

LMI Publications -- Hot Off the Press

The following revised publication prepared by the Department of Economic Security (DES), Research Administration, can be ordered by writing to the address on the back of this newsletter or by calling (602) 542-3871. One copy of each publication will be sent at no charge. Multiple copies are available at a nominal charge. DES offices can order directly from DES Supply.

The *Arizona Occupational Profile - Manufacturing* (PAL 340) has been updated with employment projections to the year 1994. This profile is one in a series of publications that examines major industries in the state. It was last revised in 1985.

The text portion of the publication consists of three parts: a general definition of manufacturing, Arizona manufacturing industry characteristics, and Arizona manufacturing trends.

The definition explains the processes involved in manufacturing -- as well as the goods produced -- and gives examples of both durable goods (longer lasting), and nondurable goods (consumables). Some of Arizona's manufacturing characteristics and trends are illustrated with graphs and tables.

The major portion (two-thirds) of the 68-page publication, however, is devoted to occupational data tables, which are broken out by each county, as well as the state as a whole.

The tables give the projected employment for 1988 and 1990, as well as "total job openings" between 1988 and 1990, for a variety of manufacturing occupations. Total job openings represent the sum of openings due to growth and separations (e.g., death, retirement, pregnancy), but do not include labor turnover (e.g., openings created when workers change jobs).

The occupational profile also includes a table that lists the 30 largest occupations in Arizona's manufacturing industry and their expected job openings between 1988 and 1990.

The Arizona Labor Force in September

Arizona's unemployment rate dropped two-tenths of a percentage point to 5.7 percent in September as the number of unemployed declined 9,900, and employment increased 2,500. This was the first decline in the state's unemployment rate since May.

While Arizona's labor force was shrinking, total wage-and-salary employment expanded by 39,400 jobs, about 8,100 more than seasonally expected. Most of the seasonal increase was in the public sector as school systems returned to full staffing for the fall semester. The more-than-seasonal improvement was primarily among employers in Maricopa County's services industry.

After four consecutive months of weak growth in the construction sector, 200 jobs were lost in September. Although the month usually brings seasonal employment declines in construction, these losses appear to be related to general weakness in the housing market. And while lower mortgage rates would be of some help, the near-term outlook for this sector is for a continuation of its recent performance.

The related finance, insurance, and real estate (FIRE) industry group dropped another 100 jobs in September, with losses occurring in the state's

(Continued on page 12)

September 1989 (in thousands)

	ARIZONA				
				Amount Change	
	Sep.* 1989	Aug. 1989	Sep. 1988	Aug.- Sep.	1988- 1989
TOTAL CIVILIAN LABOR FORCE**	1704.9	1717.3	1679.6	-12.4	+25.3
Total Unemployment	99.7	109.6	116.8	-9.9	-17.1
Rate	5.8	6.4	7.0	----	----
Rate (Sea. Adj.)***	5.7	5.9	6.7	----	----
Total Employment	1605.2	1607.7	1562.8	-2.5	+42.4

The Above Labor Force Statistics Should N

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

TOTAL WAGE AND SALARY	1443.3	1403.9	1406.4	+39.4	+36.9
Manufacturing	189.9	189.8	191.1	+0.1	-1.2
Durable Goods	144.3	144.6	147.0	-0.3	-2.7
Stone, Clay, and Glass	7.7	7.6	7.6	+0.1	+0.1
Primary and Fabricated Metals	15.9	15.9	15.7	+0.0	+0.2
Primary Metals	7.3	7.4	7.5	-0.1	-0.2
Fabricated Metals	8.6	8.5	8.2	+0.1	+0.4
Machinery	62.3	62.8	66.6	-0.5	-4.3
Other Durable Goods	58.4	58.3	57.1	+0.1	+1.3
Aircraft and Missiles	26.0	26.0	26.2	+0.0	-0.2
Lumber and Wood Product (Excluding Furniture)	8.6	8.7	8.4	-0.1	+0.2
All Other Durable Goods	23.8	23.6	22.5	+0.2	+1.3
Nondurable Goods	45.6	45.2	44.1	+0.4	+1.5
Food and Kindred Products	9.9	9.7	9.5	+0.2	+0.4
Apparel	4.6	4.5	4.5	+0.1	+0.1
Printing and Publishing	16.9	17.0	16.6	-0.1	+0.3
All Other Nondurable Goods	14.2	14.0	13.5	+0.2	+0.7
Mining and Quarrying	12.1	12.1	12.2	+0.0	-0.1
Copper Mining	9.2	9.1	9.0	+0.1	+0.2
Other Mining and Quarrying	2.9	3.0	3.2	-0.1	-0.3
Construction	92.2	92.4	95.0	-0.2	-2.8
Trans., Communications, & Public Utilities	73.2	73.5	71.8	-0.3	+1.4
Transportation	38.6	38.5	36.1	+0.1	+2.5
Communications and Public Utilities	34.6	35.0	35.7	-0.4	-1.1
Trade	360.0	356.7	343.5	+3.3	+16.5
Wholesale Trade	69.6	69.0	66.9	+0.6	+2.7
Retail Trade	290.4	287.7	276.6	+2.7	+13.8
General Merchandise and Apparel	45.2	44.7	42.0	+0.5	+3.2
Food Stores	48.2	47.9	46.2	+0.3	+2.0
Automotive and Service Stations	35.8	36.2	34.0	-0.4	+1.8
Eating and Drinking Places	100.8	99.4	97.1	+1.4	+3.7
Other Retail Trade	60.4	59.5	57.3	+0.9	+3.1
Finance, Insurance, and Real Estate	92.3	92.4	92.2	-0.1	+0.1
Services and Miscellaneous	370.4	366.6	358.2	+3.8	+12.2
Hotels and Other Lodging Places	41.8	40.9	39.4	+0.9	+2.4
Business Services	78.0	77.2	77.2	+0.8	+0.8
Health Services	93.2	92.8	91.1	+0.4	+2.1
Other Services	157.4	155.7	150.5	+1.7	+6.9
Government	253.2	220.4	242.4	+32.8	+10.8
Federal	44.3	43.1	44.1	+1.2	+0.2
State and Local	208.9	177.3	198.3	+31.6	+10.6
School	117.4	82.8	111.3	+34.6	+6.1

* Preliminary

** Labor force, unemployment, and employment are reported by place of residence.

*** Normal seasonal variations have been eliminated to reflect underlying economic trends.

September 1989 (in thousands)

MARICOPA COUNTY					PIMA COUNTY				
			Amount Change					Amount Change	
Sep.* 1989	Aug. 1989	Sep. 1988	Aug.- Sep.	1988- 1989	Sep.* 1989	Aug. 1989	Sep. 1988	Aug.- Sep.	1988- 1989
1054.6	1066.7	1043.3	-12.1	+11.3	322.7	324.5	316.9	-1.8	+5.8
51.2	54.0	59.4	-2.8	-8.2	17.0	17.0	17.8	+0.0	-0.8
4.9	5.1	5.7	---	---	5.3	5.2	5.6	---	---
4.7	4.9	5.5	---	---	5.2	5.1	5.6	---	---
1003.4	1012.7	983.9	-9.3	+19.5	305.7	307.5	299.1	-1.8	+6.6

Be Used for Economic Assistance Programs

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

947.2	925.9	926.9	+21.3	+20.3	250.9	244.3	245.8	+6.6	+5.1
139.7	139.7	139.2	+0.0	+0.5	28.1	28.1	30.2	+0.0	-2.1
107.7	108.0	108.2	-0.3	-0.5	22.3	22.2	24.4	+0.1	-2.1
4.8	4.7	5.1	+0.1	-0.3					
10.6	10.6	10.3	+0.0	+0.3					
51.4	51.9	53.0	-0.5	-1.6					
40.9	40.8	39.8	+0.1	+1.1					
32.0	31.7	31.0	+0.3	+1.0	5.8	5.9	5.8	-0.1	+0.0
6.4	6.3	6.1	+0.1	+0.3					
3.5	3.5	3.4	+0.0	+0.1					
11.9	12.0	11.7	-0.1	+0.2					
10.2	9.9	9.8	+0.3	+0.4					
0.9	0.9	0.7	+0.0	+0.2	2.1	2.1	1.8	+0.0	+0.3
62.0	62.0	65.2	+0.0	-3.2	16.3	16.7	17.0	-0.4	-0.7
51.1	51.3	49.9	-0.2	+1.2	9.5	9.5	9.0	+0.0	+0.5
28.3	28.2	26.4	+0.1	+1.9	4.9	4.9	4.6	+0.0	+0.3
22.8	23.1	23.5	-0.3	-0.7	4.6	4.6	4.4	+0.0	+0.2
241.1	239.4	233.1	+1.7	+8.0	60.0	58.8	56.6	+1.2	+3.4
56.2	55.8	54.0	+0.4	+2.2	7.3	7.3	7.0	+0.0	+0.3
184.9	183.6	179.1	+1.3	+5.8	52.7	51.5	49.6	+1.2	+3.1
27.8	27.5	27.1	+0.3	+0.7	7.7	7.6	7.2	+0.1	+0.5
31.0	30.9	29.8	+0.1	+1.2	8.1	8.0	8.0	+0.1	+0.1
22.9	23.2	21.4	-0.3	+1.5	5.5	5.6	5.7	-0.1	-0.2
63.7	62.7	62.3	+1.0	+1.4	18.7	18.3	17.9	+0.4	+0.8
39.5	39.3	38.5	+0.2	+1.0	12.7	12.0	10.8	+0.7	+1.9
73.7	73.7	73.5	+0.0	+0.2	11.6	11.6	12.1	+0.0	-0.5
247.7	244.0	241.9	+3.7	+5.8	69.7	69.3	66.5	+0.4	+3.2
24.3	23.3	22.8	+1.0	+1.5	6.5	6.3	6.3	+0.2	+0.2
60.7	60.0	60.8	+0.7	-0.1	11.9	11.8	11.4	+0.1	+0.5
60.2	59.9	59.8	+0.3	+0.4	20.2	20.2	19.3	+0.0	+0.9
102.5	100.8	98.5	+1.7	+4.0	31.1	31.0	29.5	+0.1	+1.6
131.0	114.9	123.4	+16.1	+7.6	53.6	48.2	52.6	+5.4	+1.0

NOTE: Prepared by the Arizona Department of Economic Security, Research Administration, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Nonmetropolitan Counties
Labor Force and Employment
September 1989

	Apache	Cochise	Coco-nino	Gila	Graham	Green-lee	La Paz
CIVILIAN LABOR FORCE*	15,200	35,275	46,100	12,925	9,125	2,975	5,725
Total Unemployment	1,875	2,200	2,875	1,200	675	225	425
Rate	12.3%	6.2%	6.2%	9.3%	7.4%	7.6%	7.4%
Rate (Seas. Adj.)**	14.6%	6.6%	7.1%	10.0%	7.4%	7.0%	6.5%
Total Employment	13,325	33,075	43,225	11,725	8,450	2,750	5,300
THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED FOR ECONOMIC ASSISTANCE PROGRAMS							
TOTAL WAGE AND SALARY	15,525	25,350	42,125	10,975	5,750	2,875	3,800
Manufacturing	950	1,400	3,175	1,350	200	50	350
Mining & Quarrying	50	150	150	1,300	0	1,575	75
Construction	1,025	850	2,125	600	200	175	250
T.C.P.U.	1,650	1,575	2,225	375	150	25	75
Trade	1,675	5,825	9,975	2,375	1,500	225	1,200
F.I.R.E.	375	675	925	275	100	25	100
Services & Misc.	4,475	4,875	11,225	2,175	975	150	900
Government	5,325	10,000	12,325	2,525	2,625	650	850

	Mohave	Navajo	Pinal	Santa Cruz	Yavapai	Yuma
CIVILIAN LABOR FORCE*	34,300	27,625	38,875	11,250	39,625	48,625
Total Unemployment	1,825	2,550	3,025	2,000	2,100	10,550
Rate	5.3%	9.2%	7.8%	17.8%	5.3%	21.7%
Rate (Seas. Adj.)**	5.5%	11.0%	7.5%	13.4%	5.6%	17.2%
Total Employment	32,475	25,075	35,850	9,250	37,525	38,075
THE ABOVE LABOR FORCE STATISTICS SHOULD NOT BE USED FOR ECONOMIC ASSISTANCE PROGRAMS						
TOTAL WAGE AND SALARY	23,700	21,375	30,350	9,650	26,650	27,200
Manufacturing	2,675	2,025	4,100	1,275	2,425	2,150
Mining & Quarrying	150	1,175	3,675	0	825	50
Construction	2,050	1,300	1,300	350	2,350	1,450
T.C.P.U.	1,225	1,775	900	550	1,025	1,050
Trade	7,350	4,425	5,400	3,750	7,375	7,775
F.I.R.E.	1,100	375	800	300	1,000	975
Services & Misc.	5,425	4,975	4,025	1,650	6,175	6,025
Government	3,725	5,325	10,150	1,775	5,475	7,725

* Adjusted to the Current Population Survey (CPS) to reflect place of residence.

** Seasonal adjustment not applicable for economic assistance programs.

T.C.P.U. = Transportation, Communications, and Public Utilities
F.I.R.E. = Finance, Insurance, and Real Estate

Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

Estimated Hours and Earnings of Production Workers in Selected Industries Arizona

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	Sep.* 1989	Aug. 1989	Sep. 1988	Sep.* 1989	Aug. 1989	Sep. 1988	Sep.* 1989	Aug. 1989	Sep. 1988
Manufacturing	414.47	408.59	409.36	41.2	40.9	41.1	10.06	9.99	9.96
Aircraft & Missiles	616.45	614.14	INA	44.8	44.6	INA	13.76	13.77	INA
Food & Kindred Prod.	348.47	350.24	325.75	40.1	41.4	39.2	8.69	8.46	8.31
Primary Metals	498.39	509.52	522.10	36.7	37.3	40.1	13.58	13.66	13.02
Machinery	400.80	395.81	403.60	40.0	39.7	40.4	10.02	9.97	9.99
Copper Mining	589.18	564.88	515.44	44.5	44.2	40.3	13.24	12.78	12.79
Construction	434.44	435.98	426.69	37.1	37.2	36.5	11.71	11.72	11.69
Utilities	703.10	710.77	636.01	44.5	44.9	42.8	15.80	15.83	14.86
Retail Trade**	254.21	255.53	250.00	33.1	33.8	33.2	7.68	7.56	7.53
Wholesale Trade	373.84	372.49	386.28	37.8	38.6	39.7	9.89	9.65	9.73

Estimated Hours and Earnings of Production Workers in Selected Industries Maricopa County

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	Sep.* 1989	Aug. 1989	Sep. 1988	Sep.* 1989	Aug. 1989	Sep. 1988	Sep.* 1989	Aug. 1989	Sep. 1988
Manufacturing	434.08	425.99	442.68	41.9	41.0	42.2	10.36	10.39	10.49
Construction	453.20	455.04	445.06	37.3	37.7	36.6	12.15	12.07	12.16
Retail Trade**	267.26	268.49	275.47	33.2	33.9	33.8	8.05	7.92	8.15
Wolesale Trade	392.05	389.16	411.27	38.1	38.8	40.4	10.29	10.03	10.18

Estimated Hours and Earnings of Production Workers in Selected Industries Pima County

INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	Sep.* 1989	Aug. 1989	Sep. 1988	Sep.* 1989	Aug. 1989	Sep. 1988	Sep.* 1989	Aug. 1989	Sep. 1988
Manufacturing	360.58	364.10	382.08	38.4	38.9	39.8	9.39	9.36	9.60
Copper Mining	649.85	612.37	591.16	45.7	43.4	42.9	14.22	14.11	13.78
Construction	380.56	386.53	378.88	37.2	37.6	37.0	10.23	10.28	10.24
Utilities	617.10	599.68	581.99	42.5	41.3	41.9	14.52	14.52	13.89

* Preliminary.

** Excudes eating and drinking places.

Note: These estimates are based on a sample of full- and part-time production and related employees whose payroll and hours are reported for the pay period which includes the 12th of the month. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Arizona Labor Force and Employment for Economic Assistance Programs September 1989

County	Civilian Labor Force	Employment	Unemployment	Rate
Statewide	1,704,867	1,605,173	99,694	5.8%
Apache	15,205	13,337	1,868	12.3
Cochise	35,281	33,077	2,204	6.2
Coconino	46,113	43,235	2,878	6.2
Gila	12,921	11,720	1,201	9.3
Graham	9,118	8,442	676	7.4
Greenlee	2,978	2,755	223	7.5
La Paz	5,734	5,304	430	7.5
Maricopa	1,054,584	1,003,399	51,185	4.9
Mohave	34,296	32,463	1,833	5.3
Navajo	27,613	25,074	2,539	9.2
Pima	322,667	305,671	16,996	5.3
Pinal	38,870	35,852	3,018	7.8
Santa Cruz	11,250	9,262	1,988	17.7
Yavapai	39,616	37,517	2,099	5.3
Yuma	48,621	38,065	10,556	21.7

These figures are the only official BLS labor statistics to be used for revenue sharing purposes. They are not designed to be used as economic indicators.

NOTE: Series for Yuma and La Paz counties start January 1983. Data are not comparable to any past series.

The Arizona Labor Force in September

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nonmetropolitan counties.

Arizona manufacturing businesses in September were still stagnating, adding only 100 jobs over-the-month, compared to a seasonal addition of 600 jobs. Continuing the trend of prior months, machinery manufacturing lost 500 jobs -- all in Maricopa County -- due to losses in high-technology businesses.

Transportation, communications, and public utilities (TCPU) also had a poor month, dropping 300 when an 800 gain is seasonally normal. All of the decline was in the public utilities sector, while transportation picked up 100 of its normal 200 seasonal gain. Still, public utilities employment in Maricopa County is not dropping as much as expected given earlier announcements of impending layoffs.

Trade advanced in September, as seasonally expected, gaining 3,300 jobs. Wholesale trade picked up 600 workers and retail trade added another 2,700. Despite an opening of two food store chains in the state, food stores were one of trade's two weakest components in September. The other was automotive and service stations, which lost 400 jobs.

Services was the star performer during the month -- climbing 3,800 jobs (twice

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the normal amount) -- with nearly all employment additions coming in Maricopa County. Business services added 800 while "other services" increased 1,700. Even hotels and other lodging places added 200 more than normal for September, climbing 900.

Continuing a trend that has existed for more than a year in the state, September recorded slow, but improved job growth. Over-the-year wage-and-salary employment was up 2.6 percent, doubling last year's September-to-September figure.

The Arizona economy's ability to sustain this growth in the months ahead will be watched closely. The outlook is for slower job growth with a return of construction's decline.

--Ron Simon
RA Economic Analysis Manager

New Developments

"New Developments" is featured each month as a service to our readers. This section is a compilation of public announcements and articles from newspapers and periodicals about events significant to Arizona labor markets. Due to space limitations, however, an exhaustive list of business news is not possible. In addition, the LMI Newsletter is not responsible for incorrect information reported by these sources.

MANUFACTURING - **Goldstar Products Co.** of South Korea has hired 75 engineers, salespersons, and support personnel for a U.S. division headquarters it recently opened near the Scottsdale Municipal Airport. The division will design and sell telephone products such as answering machines, phones (home, office and cellular), and facsimile machines. Scottsdale and state officials are also urging Goldstar to begin a manufacturing operation there that could lead to 500 to 600 jobs.

AiResearch Tucson Division laid off an undetermined number of its 1,550 employees in mid-October due to rescheduling of work orders by customers. Cuts included administrative, engineering and manufacturing jobs. A division of Allied-Signal Aerospace Co., AiResearch manufactures electronic devices for aerospace equipment.

The Carborundum Co., based in Niagara Falls, N.Y., is planning to build a microelectronics design center in Phoenix that will employ about 30 people when it opens in spring of next year. The 25,000-square-foot facility, located in the Phoenix Tech Center at Elliot Road and Interstate 10, will be used for prototype testing and designing of products for Carborundum's customers in the West. Manufacturing of finished goods will be done at its western-New York plant.

Chicago Energy Corp. is eyeing the southeast Valley as a place to market, distribute, and possibly manufacture its fluorescent light-saving device. If plans continue as expected, the company will hire about 100 people in the Valley and lease 6,000 to 10,000 square feet by the end of the year. Chicago Energy Corp. claims its product extends the life of fluorescent bulbs to five years and pays for itself in eight to 13 months.

Penn Racquet Sports may be expanding its west Phoenix facilities, which employ 400 and make tennis and racquet balls. A subsidiary of GenCorp Polymer Products in Ohio, Penn is looking at buying a golf ball manufacturing company and increasing manufacturing space here in order to produce an additional 12 million tennis balls

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a year. Penn's plant in Phoenix currently produces 250,000 tennis balls a day with three shifts working around the clock.

CONSTRUCTION -- Work is expected to get under way soon on **Square One**, the cornerstone of Phoenix redevelopment. The 80,000-square-foot, four-story retail project bounded by Central Avenue and First, Adams, and Washington streets, will feature upscale shops, restaurants, and a microbrewery. Trammell-Crow Co. of Dallas will develop the Southwestern art-deco-style center that is expected to open in early 1991.

If approved by the city of Scottsdale, Phoenix developer **Kobel Cos**. plans to build a 120,000-square-foot shopping center at Scottsdale and Thomas roads. A 60,000-square-foot Albertson's supermarket will be the cornerstone of the development called **Scottsdale Crossroads**. An existing retail center and some residences will need to be demolished to build the project, which could open as early as the end of 1990.

If zoning and other restrictions can be met, **Knoell Homes** plans to build 700 residential units, a 95,000-square-foot shopping center, and a 16-acre office-industrial project at Raintree Road and 92nd Street in north Scottsdale. The residential units will include 180 single-family homes, 231 patio homes and a 286-unit apartment complex.

If approved by the Scottsdale City Council, **Scottsdale Lakes Golf Club Properties Inc**. is planning a $40 million development -- consisting of 159 single-family homes priced from $150,000 to $400,000 -- on a 30-acre parcel in north Scottsdale. The luxury-home project will surround the **Desert Lakes Golf & Country Club**, under construction near Pima and Indian Bend roads.

An Albertson's supermarket will anchor two new retail shopping centers being developed by **SDC Development and Gary Davidson**. Construction is set to get under way on a 110,000-square-foot shopping center at Alma School and Ray roads in Chandler the first quarter of 1990 with completion expected by the end of next year. Meanwhile, work has already started on a 115,000-square-foot development at 51st Avenue and Cactus Road in Phoenix.

TRADE -- Fast service is coming to the pizza business and Phoenix as **Pizza Now Inc**. will open five **Pizza Now!** carryout restaurants in the Valley during the next year. Pizza Now, which opened its first Arizona location at the Paradise Valley Mall in October, offers three- and six-inch pan pizzas within one minute of an order.

Mesa businessman Thomas G. Fleck has joined the burger wars by opening two **Fast Lane** fast-food franchises -- one each in Mesa and Phoenix -- with plans to open four more in the Valley and three in Tucson as well as another 70 in the West. Fast Lane specializes in drive-thru service and offers virtually no seating inside in order to cut down on costs.

MINING -- **Magma Copper Co**. is studying the possibility of reopening its namesake, the **Magma Mine** in Superior. If reports on the mine -- closed for seven years and flooded for four -- are favorable it could be refurbished and opened by the end of next year. Magma says the mine would probably operate for eight years, produce an average of 14,000 tons of copper a year, and employ 300.

FINANCE, INSURANCE and REAL ESTATE -- **First Interstate Bank of Arizona** is closing an unspecified number of its 192 branches throughout the state to offset a $174 million loss in the third

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quarter of this year. The poor performance, due to having to increase its loan loss reserves by $350 million to offset declining real estate values, compares with a profit of nearly $20 million in the third quarter of 1988.

SunCor Development Co. is about to begin start-up work on a 9,000-acre community called Litchfield, about 20 miles west of Phoenix, that will feature more than 4,000 housing units, a 40-acre hospital campus, golf course, community college, several shopping centers, offices, and hotels. SunCor., a subsidiary of Pinnacle West Corp., has received zoning approval from the city of Goodyear to begin preparing 1,475 acres -- bounded by Thomas Road, Interstate 10, Dysart Road and Bullard Avenue -- for the first phase of construction.

SERVICES AND MISCELLANEOUS - **Bullhead City** will be the beneficiary of another casino project planned for its river neighbor Laughlin, Nev. Walter Company of Beverly Hills has already begun construction on **Paradise Casino**, a 20-story hotel tower that will feature 40,000 square feet of casino floorspace as well a 2,100-space parking lot, showroom, and 40-lane bowling alley.

Work is nearing completion on **Papago Medical Park**, an 82,000-square-foot medical office building at 1331 N. 7th St. in Phoenix. The $12 million building, which also includes the Papago Clinic, is 79 percent preleased and is expected to open in May. The clinic will house between 20 and 30 medical and surgical specialists.

A congregate care facility that would employ 25 people is being planned by **Casa Grande Regional Medical Center**. The 60,000-square-foot, $4.5 million facility would treat patients who need less attention than acute-care hospitals. If final plans are approved, construction would being in early next year and is expected to be completed the following November.

Southwest Airlines continued its expansion into the Valley with the acquisition of a 21,000-square-foot building at 2330 E. Jones Ave. in Phoenix and the hiring of an additional 15 employees. Southwest now has 305 telephone agents at its reservations center, up from 70 in 1987.

A chain of seven optical stores called **20/20 EYES** is being opened by Valley optometrist Richard Huffman. Huffman has bought the assets of three Eye-Masters stores -- one in Chandler, two in Phoenix -- and is changing the names of stores he currently owns under his corporation, Eyes Plus Inc. Huffman is also considering opening two additional stores.

TRANSPORTATION, COMMUNICATIONS AND PUBLIC UTILITIES (TCPU) -- In response to demand for longer hours, **US West Communications** is extending its office hours and will add 55 positions to its billing and collections unit in Tucson during the next year. The additional jobs, which will first be filled internally, will double the size of the unit at 407 W. Congress.

GENERAL - **TETRA Corp.**, a vocational rehabilitation center for physically and mentally handicapped in Tucson, has opened a 19,500-square-foot addition to its facilities at 308 W. Glenn St. The 37-year-old organization, initially founded as Homecrafters, provides job training and placement, permanent jobs at the facility, and professional evaluations of interests and abilities. A TETRA spokesperson says it placed 600 people in jobs last year and works with 65 disabled people at a time, but with the expansion will be able to increase its capacity to 100.